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February 11, 2002

The Honorable Jeffrey Runge, M.D. Administrator National Highway Traffic Safety Administration 400 Seventh Street, S.W. Washington, D.C. 20590

RE: NHTSA Docket No. 2001-11107

Reimbursement Prior to Recall

Dear Dr. Runge,

The Rubber Manufacturers Association ("RMA") is the primary trade association representing the interests of the tire and rubber industry in the United States. RMA's membership includes all of the country's major tire manufacturers: Bridgestone/Firestone Americas Holding, Inc., Continental Tire N.A., Inc., Cooper Tire & Rubber Company, The Goodyear Tire & Rubber Company, Michelin North America, Inc., Pirelli Tire North America, and Yokohama Tire Corporation.

On behalf of its tire manufacturer members, RMA responds to the National Highway Traffic Safety Administration's ("NHTSA" or "Agency") Notice of Proposed Rulemaking ("NPRM") on NHTSA Docket No. 2001-11107, Motor Vehicle Safety; Reimbursement Prior to Recall, published in the Federal Register on December 11, 2001. This notice addresses the reimbursement to a consumer for a remedy incurred prior to a recall. RMA and its member companies support the basic tenets of this proposal.

RMA strongly believes that many of the regulations currently under consideration by the Agency interact. For instance, RMA believes that the proposal on Disposition of Recalled Tires (NHTSA Docket No. 2001-10856) will directly impact both the Acceleration of a Remedy Program (NHTSA Docket No. 2001-11108) and the docket under consideration in these comments. In response to Docket 10856, Disposition of Recalled Tires, RMA is prepared to propose to the Agency that a recall plan should be permitted to require the return of all recalled tires directly to the manufacturer. RMA will articulate the rationale for this proposal in that response. However, if a tire has been previously replaced and the customer seeks reimbursement for it during a recall, RMA believes that all possible efforts should be made to locate and return the recalled tire to the manufacturer. This will limit the stream of recalled tires in the illegal resale market.

If a tire has been replaced and is ultimately recalled within the time limits established by the Agency's proposed rule, RMA believes the customer should be reimbursed. However, RMA would

encourage NHTSA to allow a recall plan to require consumers to demonstrate proof of purchase by a variety of methods. RMA supports the requirement in the proposed regulation to require a receipt stating the total amount paid for the item (in this case tire) replaced. RMA would also support a requirement for consumers to produce an invoice or a copy of the tire registration card. Since tire manufacturers and tire dealers use tire registration cards currently to track new tire purchases, this seems to be one way a consumer may demonstrate a new tire purchase. The use of an invoice or the tire registration card will also facilitate the location and eventual return to the manufacturer of the recalled tire.

Recommendation: RMA urges NHTSA to amend § 573.13 (d) (4) (ii) (C) of the regulation as follows: "(C) For <u>recalled</u> tires, the model, size, and the DOT number, <u>and either a copy of the tire</u> registration for the recalled tire(s) or a copy of the invoice reflecting the purchase of the recalled tire(s).

As the Agency recognizes, recalled tires should not be resold or sold after the date of notification of the recall. Therefore, RMA would support amending the regulation to limit the end date of the reimbursement period to those instances that occur not more than 5 days after the notification of recall has been sent to the tire dealers. However, consumers could get corrective action through their local tire dealers through the recall program.

Recommendation: RMA urges NHTSA to amend § 573.13 (c) (2) (ii) to read: "(ii) For replacement equipment, 30 days after the conclusion of the manufacturer's initial efforts to publicize the existence of the defect or noncompliance. For tires, 5 days after the mailing of the notification of the recall to tire dealers."

Finally, the proposal requires the manufacturer to act on a claim for reimbursement within 60 days of its submission. RMA would suggest that the time start from 60 days of its receipt. The manufacturer should also notify the customer within 30 days of receipt of the submission if the claim is incomplete.

Recommendation: In both §573.13 (g) (1) and § 573.13 (g) (2) the provisions should be amended to provide for the time to run beginning with the receipt of the submission.

Thank you for your consideration of these comments.

Sincerely,

Ann Wilson

Senior Vice President

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